

**STATE OF ARIZONA
AQUIFER PROTECTION PERMIT NO. P- 106062
PLACE ID 128182, LTF 48916**

1.0 AUTHORIZATION

AUTHORIZATION TO CLOSE A DISCHARGING FACILITY IN A MANNER SUCH THAT CURRENT AND REASONABLY FORESEEABLE FUTURE USES OF THE AQUIFER ARE PROTECTED

In compliance with the provisions of Arizona Revised Statutes (A.R.S.) Title 49, Chapter 2, Articles 1, 2 and 3, Arizona Administrative Code (A.A.C.) Title 18, Chapter 9, Articles 1 and 2, A. A. C. Title 18, Chapter 11, Article 4 and amendments thereto, and the conditions set forth in this permit, Newco Axle & Tire is hereby authorized to close the stormwater collection pit at West States Recycling, Inc. located at 2235 N. 29th Avenue in the City of Phoenix, Maricopa County, Arizona, over groundwater of the Middle Gila in Section 35, Township 2 North, Range 2 East of the Gila and Salt River Base Line and Meridian.

This permit becomes effective on the date of the Water Quality Division Director's signature and shall be valid for the life of the facility (operational, closure, and post-closure periods), unless suspended or revoked pursuant to A.A.C. R18-9-A213. The permittee shall construct, operate and maintain the permitted facilities:

1. Following all the conditions of this permit including the design and operational information documented or referenced below, and
2. Such that Aquifer Water Quality Standards (AWQS) are not violated at the applicable point(s) of compliance (POC) set forth below, or if an AWQS for a pollutant has been exceeded in an aquifer at the time of permit issuance, that no additional degradation of the aquifer relative to that pollutant, and as determined at the applicable POC, occurs as a result of the discharge from the facility.

1.1 PERMITTEE INFORMATION

Facility Name: West States Recycling, Inc.

Permittee:
Newco Axle & Tire, LLC

Mailing Address:
2235 North 29th Avenue
Phoenix, Arizona 85009

Facility's Street Address:
2235 North 29th Avenue
Phoenix, Arizona 85009

Facility Contact: Garry St. Louis 602-272-9908

Emergency Contact Telephone Number: 602-725-6986

Latitude: 33° 28' 21.17"North **Longitude:** 112°07' 13.53"West

Legal Description: The Southeast Quarter of the Northeast Quarter of the Northwest Quarter of Section 35, Township 2 North, Range 2 East of the Gila and Salt River Baseline and Meridian

1.2 AUTHORIZING SIGNATURE

Joan Card, Director
Water Quality Division
Arizona Department of Environmental Quality
Signed this ____ day of _____, 2009

2.0 SPECIFIC CONDITIONS [A.R.S. §§ 49-203(4), 49-241(A)]

2.1 Facility / Site Description [A.R.S. § 49-243(K)(8)]

West States Recycling, Inc. is a mobile home tire and axle recycling company. The facility supplies the manufactured housing industry with recycled tires and certified axles. West States Recycling, Inc. is a subsidiary of Newco Axle & Tire, LLC and began operation in 1996. The stormwater collection pit that is the subject of the closure permit was constructed in 2000 to collect stormwater that runs into the workshop area. This runoff substantially arises from rainwater runoff from the roof of a nearby business located directly to the north, and partially from the slope of a paved area on the west side of the property. This stormwater basin was never permitted, and was the subject of a Notice of Violation (NOV), issued by the Water Quality Division, Compliance Section in August 2008, initiated as a result of a compliance inspection performed on May 22, 2008. The Aquifer Protection Permit (APP) application was submitted in response to the NOV.

The stormwater collection pit was noted during the inspection as being impacted by frame paint as a result of activity at a paint booth located immediately to the west of the pit. The Material Safety Data Sheet (MSDS) for the product indicated the presence of ammonium hydroxide and organic components, with no metals identified.

Discharging Facilities:

Location of the discharging facility is as follows:

| Facility | Latitude | Longitude |
|---------------------------|------------------|------------------|
| Stormwater Collection Pit | 33° 28' 22"North | 112° 07' 16"West |

2.2 Best Available Demonstrated Control Technology [A.R.S. § 49-243(B) and A.A.C. R18-9-A202(A)(5)]

BADCT is not a condition of this permit.

2.3 Point of Compliance (P.O.C.) [A.R.S. § 49-244]

The Point of Compliance is located on the west/northwest edge of the pollutant management area, which is the area of the stormwater collection impoundment.

| P.O.C. Locations | Latitude | Longitude |
|------------------|------------------|------------------|
| POC 1 | 33° 28' 22"North | 112° 07' 16"West |

2.4 Impoundment Closure Activities [A.R.S. § 49-252]

2.4.1 Closure Activities Completed

An initial composite sample was taken from the native soil beneath the pit, and analyzed for volatile organic compounds (VOCs) using EPA Method 8260B, and TCLP metals for the eight RCRA metals.

The sampling results for this first sampling effort all resulted in non-detection of the contaminants analyzed, except for a TCLP result of 0.67 mg/L for barium, a constituent for which the aquifer water quality standard (AWQS) is 2 mg/L, and a result of 0.11 mg/kg for trichlorofluoromethane, for which there is no groundwater protection level (GPL), and for which the residential soil remediation level (SRL) is 390 mg/kg.

A subsequent sampling effort was conducted by sampling the native soil beneath the pit at the one, two, and five foot levels, and a background sample of the native soil on the property, not in an area directly impacted by operations. The native soil beneath the pit was analyzed for total metals for the eight RCRA metals, polynuclear aromatic hydrocarbons (PAHs)(EPA Method 8310), and

VOCs (EPA Method 8260B). The background sample was analyzed for total metals for the eight RCRA metals.

This second sampling effort resulted in non-detection of the analytes sampled, except as noted below:

| Contaminant | GPLs (9mg/kg) | Sample results (mg/kg) | | | |
|-------------|---------------|------------------------|---------|---------|------------|
| | | Pit-A-1 | Pit-A-2 | Pit-A-5 | Background |
| Arsenic | 290 | 8.2 | 9.2 | 11.0 | 12.0 |
| Barium | 12,000 | 120 | 110 | 120 | 140 |
| Chromium | 590 | 31 | 28 | 22 | 27 |

Based upon the sample results, the level of contamination beneath the site does not appear to vary significantly from background levels, and the planned paving of the pit should be adequate to remove any reasonable probability of further discharge from the facility, or of exceeding the AWQS at the point of compliance. The depth to water beneath the facility is estimated to be 95-126 feet.

Although the eight RCRA metals analyzed (arsenic, barium, cadmium, chromium, lead, mercury, selenium, and silver) do not represent the full suite of metals for which a GPL is available, it is not considered necessary to sample for the other GPL metals (antimony, beryllium, cadmium, nickel, and thallium) or fluoride, as the RCRA suite will serve as indicator parameters, and the frame paint MSDS does not indicate the use of metals in the product. In addition, no PAHs or VOCs were detected in samples collected during the second sampling effort.

2.4.2 Additional Closure Activities Planned

The applicant plans to decommission the pit by backfilling the pit with an aggregate/base engineered fill material, and paving the facility flush with the floor of the shop. Per the applicant, the stormwater runoff into the pit area has been redirected.

2.5 Other Permit Conditions

2.5.1 This closure permit reserves ADEQ's right to require additional investigation including any necessary remediation if ADEQ becomes aware of new evidence which would alter its determination.

2.5.2 Other permit conditions including monitoring, alert levels, contingency plans, record keeping, and post-closure plans are not required for the closure of the stormwater retention pit located at West States Recycling site on North 29th Avenue in Phoenix, Arizona.

2.6 Reporting Requirements

[A.R.S. § 49-243(K)(2) and R18-9-A207]

2.6.1 Reporting Location

All documents required by this permit to be submitted to the Water Quality Compliance Section shall be directed to:

Arizona Department of Environmental Quality
Water Quality Compliance Section
Mail Code: 5415B-1
1110 W. Washington Street
Phoenix, AZ 85007
Phone (602) 771-4497

All documents required by this permit to be submitted to the Groundwater Section shall be directed to:

Arizona Department of Environmental Quality
Groundwater Section
Mail Code: 5415B-3
1110 W. Washington Street
Phoenix, AZ 85007
Phone (602) 771-4428

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3.0 COMPLIANCE SCHEDULE [A.R.S. § 49-243(K)(5) and A.A.C. R18-9-A208]

For each compliance schedule item listed below, the permittee shall submit the required information, including a

cover letter that lists the compliance schedule items, to the Groundwater Section. A copy of the cover letter must also be submitted to the Water Quality Compliance Section.

| Item | Due Date | Comments |
|---|--|---|
| Submission of a completion report for the backfilling and closure activities of the stormwater retention pit. | Within 6 months of the authorized signature date of permit | The backfilling and closure activities for the pit shall be implemented according to the <i>Clean Closure Application and Investigation Report</i> , prepared by GPI Engineers, Inc., received by ADEQ on 10/31/08. |

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4.0 REFERENCES AND PERTINENT INFORMATION

The terms and conditions set forth in this permit have been developed based upon the information contained in the following, which are on file with the Department:

1. Individual Aquifer Protection Permit Application, submitted by Garry St. Louis, received on 12/12/08,
2. Sampling and Analysis Plan for the West States Recycling Storm Water Collection Pit, prepared by GPI Engineers, Inc., received on 10/03/08,
3. Clean Closure Application and Investigation Report, prepared by GPI Engineers, Inc., received on 10/31/08,
4. Letter from Garry St. Louis of West States Recycling responding to additional information request, received 2/2/09.

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5.0 NOTIFICATION PROVISIONS

5.1 Annual Registration Fees

The permittee is notified of the obligation to pay an Annual Registration Fee to ADEQ. The Annual Registration Fee is based upon the amount of daily influent or discharge of pollutants in gallons per day as established by A.R.S. § 49-242.

5.2 Duty to Comply [A.R.S. §§ 49-221 through 49-263]

The permittee is notified of the obligation to comply with all conditions of this permit and all applicable provisions of Title 49, Chapter 2, Articles 1, 2 and 3 of the Arizona Revised Statutes, Title 18, Chapter 9, Articles 1 through 4, and Title 18, Chapter 11, Article 4 of the Arizona Administrative Code. Any permit non-compliance constitutes a violation and is grounds for an enforcement action pursuant to Title 49, Chapter 2, Article 4 or permit amendment, suspension, or revocation.

5.3 Duty to Provide Information [A.R.S. §§ 49-243(K)(2) and 49-243(K)(8)]

The permittee shall furnish to the Director, or an authorized representative, within a time specified, any information which the Director may request to determine whether cause exists for amending or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

5.4 Compliance with Aquifer Water Quality Standards [A.R.S. §§ 49-243(B)(2) and 49-243(B)(3)]

The permittee shall not cause or contribute to a violation of an aquifer water quality standard at the applicable point of compliance for the facility. Where, at the time of issuance of the permit, an aquifer already exceeds an aquifer water quality standard for a pollutant, the permittee shall not discharge that pollutant so as to further degrade, at the applicable point of compliance for the facility, the water quality of any aquifer for that pollutant.

5.5 Technical and Financial Capability

[A.R.S. §§ 49-243(K)(8) and 49-243(N) and A.A.C. R18-9-A202(B) and R18-9-A203(E) and (F)]

The permittee shall have and maintain the technical and financial capability necessary to fully carry out the terms and conditions of this permit. Any bond, insurance policy, trust fund, or other financial assurance mechanism provided as a demonstration of financial capability in the permit application, pursuant to A.A.C. R18-9-A203(D), shall be in effect prior to any discharge authorized by this permit and shall remain in effect for the duration of the permit.

5.6 Reporting of Bankruptcy or Environmental Enforcement [A.A.C. R18-9-A207(C)]

The permittee shall notify the Director within five days after the occurrence of any one of the following:

1. The filing of bankruptcy by the permittee.
2. The entry of any order or judgment not issued by the Director against the permittee for the enforcement of any environmental protection statute or rule.

5.7 Monitoring and Records [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A206]

The permittee shall conduct any monitoring activity necessary to assure compliance with this permit, with the applicable water quality standards established pursuant to A.R.S. §§ 49-221 and 49-223 and §§ 49-241 through 49-252.

5.8 Inspection and Entry [A.R.S. §§ 41-1009, 49-203(B) and 49-243(K)(8)]

In accordance with A.R.S. §§ 41-1009 and 49-203(B), the permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to enter and inspect the facility as reasonably necessary to ensure compliance with Title 49, Chapter 2, Article 3 of the Arizona Revised Statutes, and Title 18, Chapter 9, Articles 1 through 4 of the Arizona Administrative Code and the terms and conditions of this permit.

5.9 Duty to Modify [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A211]

The permittee shall apply for and receive a written amendment before deviating from any of the designs or operational practices specified by this permit.

5.10 Permit Action: Amendment, Transfer, Suspension & Revocation

[A.R.S. §§ 49-201, 49-241 through 251, A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213]

This permit may be amended, transferred, renewed, or revoked for cause, under the rules of the Department.

The permittee shall notify the Groundwater Section in writing within 15 days after any change in the owner or operator of the facility. The notification shall state the permit number, the name of the facility, the date of property transfer, and the name, address, and phone number where the new owner or operator can be reached. The operator shall advise the new owner or operators of the terms of this permit and the need for permit transfer in accordance with the rules.

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6.0 ADDITIONAL PERMIT CONDITIONS

6.1 Other Information [A.R.S. § 49-243(K)(8)]

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, the permittee shall promptly submit the correct facts or information.

6.2 Severability

[A.R.S. §§ 49-201, 49-241 through 251, A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213]

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby. The filing of a request by the permittee for a permit action does not stay or suspend the effectiveness of any existing permit condition.

6.3 Permit Transfer

This permit may not be transferred to any other person except after notice to and approval of the transfer by the Department. No transfer shall be approved until the applicant complies with all transfer requirements as specified in A.A.C. R18-9-A212(B) and (C).